Marcon International, Inc.

Vessels and Barges for Sale or Charter Worldwide

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Crewboat Market Report

Gentlemen:

Marcon presently has the following crew boats, pilot boats and launches officially available for sale, both domestically and abroad. Others though can be developed on a private and confidential basis.

	Under 30'	30- - 40'	40' – 50'	50' – 60'	60' – 70'	70' – 80'	80' – 90'	90' – 100'	100' – 110'	110' – 120'	120' – 130'	Over 130'	Total
Jan 1997	7	10	36	9	11	6	5	2	29	8	1	0	**125**
Jan 1998	5	14	24	5	11	5	4	1	11	3	1	0	**84**
Jun 1998	1	12	20	8	10	4	3	2	12	6	2	0	**80**
Oct 1998	0	13	21	5	8	4	0	2	11	8	2	0	**74**
Jan 1999	2	14	25	6	7	4	2	2	11	8	2	0	**83**
Jan 2000	2	21	24	6	8	10	3	2	15	10	4	1	**105**
Jun 2000	7	31	23	7	8	10	3	3	24	12	6	3	**134**
Sep 2000	8	26	24	9	10	9	2	4	27	8	5	3	**132**
Feb 2001	9	18	25	7	11	9	3	3	27	14	5	3	**134**
May 2001	9	20	27	6	8	9	3	3	24	15	6	3	**133**
Sep 2001	8	21	23	8	11	9	5	4	22	12	4	2	**129**
Dec 2001	6	18	15	6	8	3	5	4	17	12	4	2	**99**
Mar 2002l	6	17	15	6	10	3	5	4	17	9	4	1	**97**
Jun 2002	5	15	23	9	9	2	5	4	17	15	4	2	**110**
Sep 2002	7	17	27	9	9	3	4	4	20	17	5	2	**124**
Dec 2002	7	17	27	9	10	3	4	4	18	18	7	3	**127**
Mar 2003	5	14	25	10	10	3	4	4	19	21	5	4	**124**
Jun 2003	5	8	22	7	10	3	3	2	16	21	5	4	106
Sep 2003	**5**	**8**	**23**	**7**	**10**	**3**	**3**	**1**	**14**	**16**	**5**	**4**	**99**
Sep 2003 - U.S.	**2**	**7**	**11**	**0**	**7**	**0**	**0**	**1**	**9**	**11**	**3**	**1**	**52**
Sep 2003 - Foreign	**3**	**1**	**12**	**7**	**3**	**3**	**3**	**0**	**5**	**5**	**2**	**3**	**47**
Avg. Age - Wordwide	**1981**	**1977**	**1979**	**1993**	**1967**	**1976**	**1997**	**1973**	**1980**	**1980**	**1981**	**1996**	
Avg. Age - U.S.	**1974**	**1977**	**1974**	**-**	**1965**	**-**	**-**	**1973**	**1978**	**1979**	**1981**	**1998**	
Avg. Age - Foreign	**1987**	**-**	**1984**	**1993**	**1970**	**1976**	**1997**	**-**	**1984**	**1981**	**1982**	**1995**	
Charter - Worldwide	***2***	***2***	***5***	***2***	***3***	***3***	***0***	***0***	***2***	***2***	***0***	***3***	***24***
Charter – U.S.	***1***	***0***	***2***	***0***	***1***	***2***	***0***	***0***	***2***	***0***	***0***	***2***	***10***
Charter - Foreign	***1***	***2***	***3***	***2***	***2***	***1***	***0***	***0***	***0***	***2***	***0***	***1***	***14***

It's been another tough quarter for operators as the offshore and crewboat markets sectors have continued to drift sideways. While we are seeing some slight improvements from some select operators their still is no overall sustained improvement trend to report. It is now looking like next year at the earliest for any significant upward development. There are a number of positive signs that things should pick-up with improvement in the U.S. Economy - low oil and gas reserves and continued high natural gas prices but it has not translated into any serious E & P spending by major oil companies. Looks like we could be waiting until 2004 for any real improvement.

Market Overview & Rates

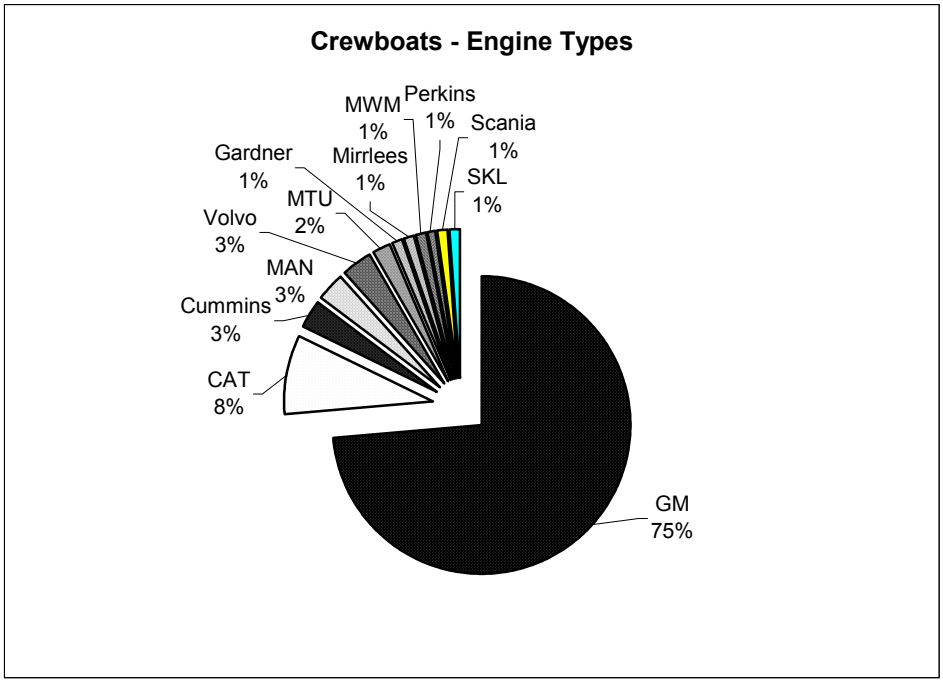
Of the 6,212 vessels (excluding barges) Marcon tracks, 448 are crew & pilotboats with 99 officially on the market for sale and 24 available for charter worldwide, down 7 boats for sale from June 2003 and down 28 boats from the end of last year. Just over half, or 52 of the boats officially for sale are U.S. flag. Fifteen of the crew boats for sale worldwide were built within the last 10 years and 37 boats are 25 years of age or older with ten listed having no year built given. The oldest boat listed is a 65' pilot boat built in 1947 in the Netherlands.

Average official asking prices for crewboats have generally have fallen slightly since the June 2003 report. Official asking prices for boats in the 50 – 70' range fell abt. 8-9%, 80-100' boats remained steady, 100-110

Details believed correct, not guaranteed. Offered subject to availability.

footers fell 9.5% and 110-120' boats fell a half percent. Actual sale prices for all vessels and barges sold by Marcon to-date in 2003 have averaged 79.28% of asking prices.

Of the crewboats, pilot boats and launches listed for sale, not surprisingly the most popular engine type is still GM diesels powering 70 vessels out of 99 boats where the engine types are given, followed by CAT's in eight vessels, three each powered by MAN, Volvo's or Cummins and two powered by MTU's. Other engine types include Mirrlees, MWM, Perkins, Gardner, SKL and Scania. 49 boats for sale are located in the U.S. followed by 9 each in Europe, Middle East or Caribbean / So.America region, seven in Southeast Asia, five in Africa, four in the South Pacific, two in the Mediterranean and one in Canada.



Recent Corporate News

Seabulk International reported, second quarter (ended June 30th) domestic crew boat fleet utilization of 69% and day rates averaging US $2,422, which was up slightly compared with 61% Utilization and average day rates of US $2,330 from the previous quarter.

Trico Marine Services Inc. reported Crew and line handling vessels world-wide averaged $2,984 for the quarter compared to $2,634 for the same period last year, and $2,762 for the first quarter of 2003. The utilization rate for the crew and line handling vessels was 65% for the quarter, compared to utilization rates of 68% for the year -- ago period and 68% for the first quarter of 2003.

Edison Chouest in July was awarded a two year contract by Pemex for their two 165' fast supply vessels *"Fast Servant"* and *"Fast Solution"* plus the 220' supply boat *"C-Champion".* The boats will be working out of Ciudad del Carmen and Dos Bocos on the East Coast of Mexico.

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Marcon International, Inc.
Crew Boat Market Report

Following is a breakdown comparing day-based utilization percentages and average day rates for **Tidewater's** crew/utility boats and in total for the quarters ended June 30 and March 31:

	Quarter Ended June 30,		Quarter Ended March 31,
	2003	2002	2003
UTILIZATION:			
Domestic Crew/utility	71.5%	66.8%	71.3%
International Crew/utility	78.1%	81.5%	78.7%
Worldwide Crew/utility	75.9%	76.1%	76.0%
AVERAGE VESSEL DAY RATES:			
International Crew/utility	$2,945	$2,916%	$2,878
Worldwide Crew/utility	$2,907	$2,857%	$2,785

The following table compares the average number of vessels for the quarters ended June 30 and March 31:

	Quarter Ended June 30,		Quarter Ended March 31,
	2003	2002	2003
Domestic Crew/utility	30	32	32
International Crew/utility	58	54	57

During fiscal 2003, Tidewater sold and/or scrapped a total of 5 crew/utility vessels.

Recent New Construction

Tidewater Inc entered into contracts for the building of an additional eight new vessels at a total cost approximating $100,000,000 which include an additional two of its next generation class of 175' fast supply vessels which are in addition to previously those previously announced. The fast supply vessels are to be built in the United States. Options to build additional vessels at similar pricing are included in the contracts. The following table summarizes the various crewboat commitments as of 30th June.

	U. S. Built			International Built		
	Number of Vessels	Total Cost Commitment	Expended Through 6/30/03	Number of Vessels	Total Cost Commitment	Expended Through 6/30/03
		(In thousands)			(In thousands)	
Crewboats:						
Crewboats—162-foot	1	$ 5,213	—	—	—	—
Crewboats—175-foot	1	$ 6,570	$ 680	—	—	—
Crewboats—Water Jet	—	—	—	3	$ 2,727	$ 1,218

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Crew Boat Market Report

FBM Babcock Marine Ltd. of Southhampton, England delivered three aluminum 88.5' x 21.6' x 10.6' patrol boats as part of a six-vessel order for **SMIT Int'l (Scotland) Ltd**. to train military aircrews in marine survival and general marine support tasks. The 6 man crew design includes an aft docking well for a RIB or for torpedo recovery, full width stern training platform and clear deck for helicopter winching drills. Vessels are powered by twin Cummins KTA 19MA (700 HP each) diesels to propellers and an additional centerline Cummins 6CTA8.3M3 (350HP) powering a Ultrajet 305 Waterjet, which provides economical low speed operation and excellent maneuverability. In addition the vessel carry a RIB rescue boat, two life rafts, a Jasons cradle, lifebuoys and immersion suits. Accommodations provide for a crew of six and 12 passengers.

Gladding - Hearn announced that the New Orleans Pilots Association placed an order for two *"Jacksonville"* Class pilot boats which are currently scheduled for a mid-2004 delivery. The 52.6' x 17' x 4.8' all-aluminum vessels will be powered by twin Detroit Diesel Series 60 engines 600 HP each at 2100 RPM and capable of reaching 25 knots. Engines will turn 5-blade bronze props through TD MG5114A gears with a 2:1 reduction. Power will be supplied by a 12kW Northern Lights generator. In addition, vessels feature wide side decks, side and rear doors, heated front windows and a boarding platform on the roof. At the transom are mounted redundant throttle and steering controls, winch operated U-frame over the water and a recessed platform for man-over-board rescues. The air conditioned and heated wheelhouse offers shock-mitigating pilot seats and bunks, and enclosed heat, Furuno NAVNET radar, chart plotter, GPS and sounder with multiple displays.

Following are *Current Commercial Shipbuilding Contracts* according to *MarineLog* and Tim Colton:

Type	*Name or Hull #*	*Customer*	*GT*	*Size*	*$mm*	*Delivery*
Breaux Bay Craft (Loreauville LA)						
Crew Boat	Firm	Tidewater Marine		162 ft.	5	Sep-03
Breaux Brothers Enterprises (Loreauville LA)						
Crew Boat	1278	Barry Graham Oil Service		155 ft.	5	Oct-03
Gulf Craft (Patterson LA)						
Crew Boat	452			175 ft.		Nov-03

Featured Listings:

CB04314 Crew Boat 43' x 14.1' x 6.4'. Built 1977 by Breaux Bay Craft U.S. flag. USCG COI expired. 2 x GM8V71. 460BHP. Aluminum hull/house. Converted to dive support in '95. Passenger area converted to galley with table & seats. 2 bunks. Head. One bunk in pilothouse. Aft controls. Some equipment excluded. Try offers after inspection. Drydocked June '03 for bottom paint & rework of running gear, re-wired engine room, etc. - Reportedly very good condition. U.S. West Coast $105,000.

CB07518 Crew Boat 74.5' x 18.5' x 6.6' . Built 1981 by Camcraft; USA Philippine flag. ABS thru March 2003. 16 tons cargo on abt. 30m2 clear deck. FO: 5,000L FW: 1,500L. 15 cfm air compressors. 4.8mT hydraulic crane with 8m reach aft. Hydraulic capstan. 2 x GM12V71TI total 1020BHP. Abt. 150LPH consumption @ 12kn. Speed 15kn max 30kW/GM & 40kW/GM generators. Radar, fathometer, VHF, SSB, GPS. 5 crew berths. 36 passenger seats. Galley. All aluminum survey / crew / rescue / supply vessel. 2 remote searchlights. Working & reportedly in good condition. As brokers, we invite offers. Western Pacific. Price ideas $320,000.

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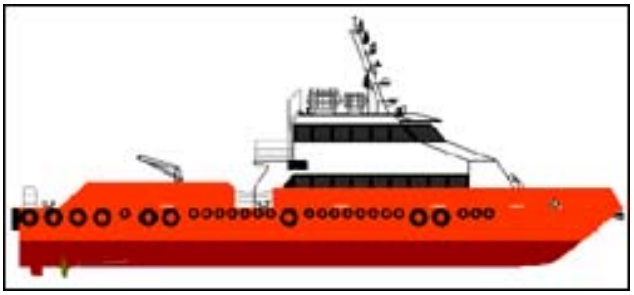
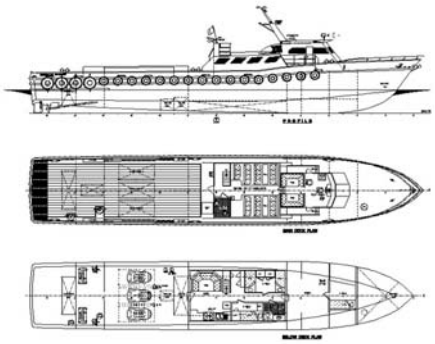
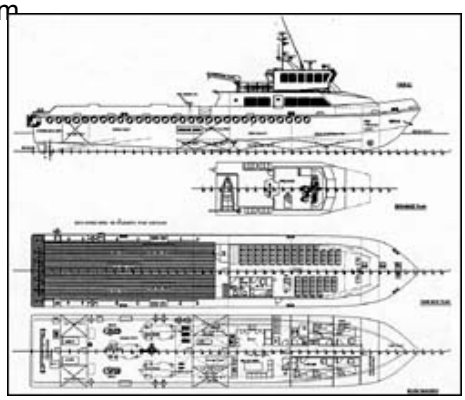
Crew Boat Market Report



File CB10529 Crew Boats (3 each) 105.0' x 23.0' x 10.5' depth x abt. 3.9' light / 5.6' laden draft. Built by first class shipyard out of aluminum with delivery scheduled for around March 2004. Panamanian flag. ABS Class. Abt. 50mtdw. 25mt cargo on 60m2 clear deck aft. FO 40,000L. FW 10,000L. Abt. 80 – 110 passengers. 2 x CAT total 3,500HP. Speed abt. 27 – 30kn. Sewage treatment plant. Fire monitor with foam. Chemical dispersant. Full specs & price on request. At this point, vessel specifications can be customized to your requirements. Delivery Southeast Asia / South Pacific range by arrangement.



CB11063 Crew Boat 110' x 22.58' x 10' x 5.77'. Built 1978 Breaux Baycraft Singapore flag. GRT: 137 Bureau Veritas I 3/3 Special Service Coastal Waters. 27mT cargo on 59' x 20' clear deck aft. FO: 24m³ FW: 15m³. 3 x GM16V92TI total 2640BHP at 2100RPM. Top speed @ 20kn on 540LPH. Service speed abt. @16/17kn on 350 LPH. 2-30kW/GM3-71 220vAC 60Hz generators. 227m³/h firepump & monitor. Radar, fathometer, 3 VHF's, 2 SSB's, GPS. 7 berths. 39 passenger seats. Sold "as is, where is". Speed & endurance at 12kn 150LPH / 1800nm. As brokers only we invite lower firm cash offers to test delivery Southeast Asia. Price ideas $475,000.



File CB13124 Crew Boat 40.00 m x 7.50 m x 3.65 m depth moulded / 1.85m design draft. Light ship 100 tons. Panama flag. G / NRT 220 / 70 (estimated). Classed ABS. Safety regulations meet ABS and Panama Flag requirements. Passenger Ship Safety Certificate (Panama) with Exemption Certificate. Class Certificate (ABS). Load Line Certificate (ABS). International Tonnage Certificate (ABS). Builders Certificate. Letter of Compliance with applicable MARPOL 73/78 (if required by Flag State or Port State). Capacities include FW 25mt and FO 53mt. 120 tonnes cargo on 105m2 clear deck. Deck strength 1500kg/m2. Cold Stores 350 cft. Frozen Stores 240 cft. Dry Stores 300 cft. Separate storage room in crew accommodation area. 3 x CAT 3512B, Turbocharged, 1305kW @ 1600 rpm total 5250BHP. Gear Box: ZF 4650. 3 fixed pitch propellers. Max. Speed 30.0 knots. Operating Speed 28.0 knots @ 120t displ. (20T load). 60 HP Electro-hydraulic bow thruster. Auxiliaries engines to be advised. 75 reclining aircraft economic seat for passengers. 7 crew bunks in 4 cabins. Seating for 8 crew in Mess. 1 bunk complete with toilet on main deck for Owner's representative. Spray booms. Collapsible canvas on cargo deck. Rescue boat. 1 x 300 m^3 firefighting monitor fitted on main deck (with individual pump directly clutch to center engine). Owner's price ideas region US$ 3,000,000 delivery Southeast Asia. Long term time charter rate ideas on request.

We are interested in receiving information on any vessels surplus to your requirements that may be available for sale or charter on either a published or private and confidential basis.

We are also interested in receiving your press releases, news and comments about the industry on a regular basis for our market reports.

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